Climate Investment Funds (CIFs)

Multilateral Aid Review (MAR) Update 2013 progress rating:



MAR 2011: Good Value for Money for UK Aid

Progress assessment		
Summary	Strong commitment at headquarters to reform and an increased focus on results, but too early to see the full benefits in developing countries.	
	Raseline	

The CIFs are made up of four programmes implemented by the MDBs: the Clean Technology Fund (CTF); the Pilot Programme for Climate Resilience (PPCR); the Forest Investment Programme (FIP) and the Scaling Up Renewable Energy Programme (SREP).

The MAR highlighted several strengths:

- Meets a critical gap in delivering climate change outcomes, offers finance at scale and innovation, and informs future climate change architecture.
- Flexibility to use a variety of financing instruments with some innovation, strong audit function.
- Low administrative costs and a challenge function for finance and budgetary issues.

The MAR also highlighted several weaknesses:

- Patchy experience in developing countries, with mixed evidence on working with developing country stakeholders other than governments.
- Lengthy process to design results frameworks.
- No common approach or agreed methodology to decide the allocation of funds between pilots in the four programmes.

DFID's reform priorities for the MAR Update were:

- Develop policies, structures and incentives to promote gender assessed under <u>attention to cross-cutting issues (gender)</u>;
- Ensure systems are in place to effectively measure results, including development impact – assessed under <u>strategic and performance</u> <u>management</u>;
- Work effectively in partnership with others, including ensuring country ownership – assessed under <u>partnership behaviour</u>;
- Improve the transparency of the CIFs assessed under <u>transparency and</u> accountability.

Summary of overall progress

The CIFs continue to make progress across all reform priorities. Concerns about how gender was taken into account were targeted through an independent gender review. Revised results frameworks were implemented for three of the programmes, whilst work continues on core indicators for the fourth. Concerns around speed of disbursement are being addressed. Greater transparency has been achieved through signing up to the

International Aid Transparency Initiative.

Progress against reform priorities				
MAR reform component	MAR 2011 score	Progress rating	MAR Update score, if any change	
Attention to cross-cutting issues (gender) An independent gender review of the CIFs was conducted and recommendations are being taken forward including the recruitment of a senior gender specialist within the CIF Administrative Unit. MDBs are ensuring that gender experts are included in all missions and that at least one indicator disaggregated by gender is included in each project where feasible.	2	Some progress		
Strategic and performance management Revised results frameworks, toolkits and guidance for monitoring and reporting have been developed. An independent evaluation is now fully underway. The CIFs have used performance evidence to improve their slow disbursement rates.	3	Reasonable progress		
Partnership behaviour Actions have been taken to improve MDB collaboration in developing countries and strengthen country ownership. Since 2011 there is more evidence that CIFs are working with stakeholders, including the private sector and civil society, as they move from the design to implementation phase.	2	Reasonable progress		
Transparency and accountability Reasonable progress has been made in enhancing the transparency of the CIFs, including making executive sessions open to all, improvements made to the clarity and content of annual reports, and signing up to the International Aid Transparency Initiative.	3	Reasonable progress		